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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/759,487	01/12/2001	Robert Kohler	452202000100	1746

7590 08/10/2005

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EXAMINER

BASS, JON M

ART UNIT	PAPER NUMBER
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3639

DATE MAILED: 08/10/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)	
	09/759,487	ROBERT KOHLER	
	Examiner	Art Unit	
	Jon Bass	3639	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
 - If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
 - If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
 - Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 12 January 2001.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-20 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-20 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. This is in response to the communication filed on January 12, 2001. Claims 1-20 are pending in this application.

Claim Rejections - 35 USC § 112

The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

2. Claims 5 and 9 are rejected under first paragraph of 35 U.S.C. 112 for being unclear and not being fully precise.
3. As for claim 5, the applicant failed to distinctly describe what "points" are and what "points" are going to be used for.
4. As for claim 9, the applicant failed to distinctly describe what "performance rating" is used for in the invention. It is unclear whether "performance rating" is used to display to other members or used for tracking purposes.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

5. Claims 1-20 are rejected under 35 U.S.C. 101 because the invention as claimed is directed to non-statutory subject matter.

6. Claims 19 and 20 recite a system and a method comprising a series of steps to be performed. Claims 1-18 disclosed an application in the technological or useful arts. Furthermore, the claims do not define a computer program, a data structure, non-functional descriptive material, (i.e. mere' data) or a natural phenomenon.

7. Claims 1-20, the invention set forth in these claims describes:

- Claims 1, 13, 14, 15, 17 and 19, receives a product request based on a displayed list of available products, determining an appropriate package/mailler, and determining the required postage or shipping fee for the requested product and mailer, with out combining these separate items into a finished package that may be shipped to the buyer after the buyer has made payment for the requested product and shipping fees .

Where:

- The exchanges of various types of confirmation in claims 8-12, 16 and 17, the claimed invention does not require that the package to be sent to the buyer.

8. It is further noted that applicant has not recited in these claims a specific process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, which is either:

- altered or changed or modified by the invention recited in claims; or
- utilizes the result of the invention recited in these claims.

9. It is further noted in regard to claims 1-20, which as claimed applicant has not claimed:

- computer processing, the claims fail to recite that the data is transformed; or
- computer processing, the claims fail to recite that the data is manipulated; or
- process steps or physical acts/operations that would affect the internal operation of a computer/machine found to be statutory in either *In re McIlroy* 170 USPQ 31 (CCPA, 1971) or *In re Waldbaum* 173 USPQ 430 (CCPA, 1972); or
- process steps or physical acts/operations that would be considered as going beyond the manipulation of the "abstract ideas" found to be non-statutory in *In re Wnnerdnm* 31 USPQM 1754 (CAFC, 1994);

- a concrete and tangible practical application of either:
- (1) the invention as a whole; or

11. The basis of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete, and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. A claim limited to a machine or manufacture which has practical application in the technological arts is statutory. In most cases, a claim to a specific machine or manufacture will have practical application in the technological arts. See MPEP 2106, 2100-14 (quoting *In re Alappat*, 33 F.3d at 1544, 31 USPQ2d at 1557). Additionally, for subject matter to be statutory, the claimed process must be limited to a practical application of the abstract idea or mathematical algorithm in the technological arts. See *In re Alappat* 33 F.3d at 1543, 31 USPQ2d at 1556-57 (quoting *Diamond V. Diehr*, 450 U.S. at 192, 209 USPQ at 10). For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts. See *In re Musgrave*, 431 F.2d 882, 167 USPQ 280 (CCPA 1970).

As to technological arts recited in the preamble, mere recitation in the preamble (i.e., intended or field of use) or mere implication of employing a machine or article of manufacture to perform some or all of the recited steps does not confer statutory subject matter to an otherwise abstract idea unless there is positive recitation in the claim as a whole to breathe life and meaning into the preamble. In the present case, none of the recited steps are directed to anything in the technological arts as explained above. Looking at the claim as a whole, nothing the body of the claim recites any structure or functionality to suggest that a computer performs the recited steps. Therefore, the preamble is taken to merely recite a field of use.

Additionally, for a claimed invention to be statutory, the claimed invention must produce a useful, concrete, and tangible result. An invention, which is eligible or patenting under 35 U.S.C. 101, is in the "useful arts" when it is a machine, manufacture, process or composition of matter, which produces a concrete, tangible, and useful result. The fundamental test for patent eligibility is thus to determine whether the claimed invention produces a "use, concrete and tangible result". See *AT&T v. Excel Communications Inc.*, 172 F.3d at 1358, 50 USPQ2d at 1452 and *State Street Bank & Trust Co. v. Signature Financial Group, Inc.*, 149 F.3d at 1373, 47 USPQ2d at 1601 (Fed. Cir. 1998). The test for practical application as applied by the examiner involves the determination of the following factors"

- (a) "Useful" – The Supreme Court in *Diamond v. Diehr* requires that the examiner look at the claimed invention as a whole and compare any

asserted utility with the claimed invention to determine whether the asserted utility is accomplished. Applying utility case law the examiner will note that:

i. the utility need not be expressly recited in the claims, rather it may be inferred.

ii. if the utility is not asserted in the written description, then it must be well established.

(b) "Tangible" – Applying *In re Warmerdam*, 33 F.3d 1354, 31 USPQ2d 1754 (Fed. Cir. 1994), the examiner will determine whether there is simply a mathematical construct claimed, such as a disembodied data structure and method of making it. If so, the claim involves no more than a manipulation of an abstract idea and therefore, is nonstatutory under 35 U.S.C. 101. In *Warmerdam* the abstract idea of a data structure became capable of producing a useful result when it was fixed in a tangible medium, which enabled its functionality to be realized.

(c) "Concrete" – Another consideration is whether the invention produces a "concrete" result. Usually, this question arises when a result cannot be assured. An appropriate rejection under 35 U.S.C. 101 should be accompanied by a lack of enablement rejection, because the invention cannot operate as intended without undue experimentation.

Although the recited process produces a useful, concrete, and tangible result, since the claimed invention, as a whole, is not within the technological arts

as explained above, claim 1 is deemed to be directed to non-statutory subject matter.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

12. Claims 1-20 are rejected under 35 U.S.C. 103(a) as being unpatentable over Stephen Huxter (2002/0107820) hereinafter referenced as Huxter in view of Daniel Dlugos, (5,914,463), hereinafter referenced as Dlugos.

As Per Claim 1:

Huxter discloses a method wherein, a method for enabling a product transfer transaction between a buyer and a seller, comprising, [{fig1}; illustrates the process for arranging the delivery of goods purchased]:

receiving via a communication network a product request from a buyer to obtain a product from a seller, wherein the seller is at a remote location from the buyer, [{fig 8}; customer registration process]; and

determining a mailer to send to the seller for the seller to place the requested product in the mailer and send the mailer with the product to the buyer, [{fig 2}; network architecture for a server used to arrange the delivery]; **but**

Huxter lacks a method that

determines a postage amount associated with the product request for placement on the mailer.

Dlugos discloses a method wherein, determining a postage amount associated with the product request for placement on the mailer, [{col.5, lines 54-55}; determine the charge required by a carrier for transporting a package or parcel].

Therefore, it would have been obvious for one of ordinary skill in the art at the time of the invention was made to modify Huxter's method in conjunction with Dlugos' method to emulate an invention that deals with a communication network a product request from a buyer and determine a postage amount, which additionally verifies the products data and its origin.

As Per Claim 2:

Huxter discloses a method that further comprising the step of sending information on the mailer, [{fig 4}; client interfaces used by a customer]; and a buyer and seller address, [{fig8}; customer prompted to enter a email address]; to

a fulfillment center, wherein the fulfillment center sends the mailer with postage to the seller for the seller to place products in the mailer and send the mailer with products to the buyer, [fig 2]; used to arrange the delivery], **but Huxter lacks a method that** deals with postage amounts.

Dlugos discloses a method wherein deals with the postage amounts, [col.5, lines 54-55]; determine the charge required by a carrier for transporting a package or parcel].

Therefore, it would have been obvious for one of ordinary skill in the art at the time of the invention was made to modify Huxter's method in conjunction with Dlugos' method to emulate an invention that deals with sending information on the mailer and postage amounts, which additionally verifies the products data and its origin.

As Per Claim 3:

Huxter discloses a method wherein, further comprising the step of processing a charge to the buyer based upon the product request, [fig 19, 2002], shipping rates].

As Per Claim 4:

Huxter discloses a method wherein a currency quantity is transferred from the buyer's account to an account of the seller, [fig 13, 652]; has a payment dispatched to host].

As Per Claim 5:

Huxter discloses a method wherein the currency quantity comprises points accumulated from a previous product transfer, [{fig 14, 651}; calculates monthly fees].

As Per Claim 6:

Huxter discloses a method wherein the currency quantity required to purchase the requested product is predetermined by the seller, [{fig 14, 651}; calculates monthly fees].

As Per Claim 7:

Huxter discloses a method wherein further comprising displaying to the seller pricing information of similar items by other sellers, [{fig 19, 2008}; has a web page for inventory].

As Per Claim 8:

Huxter discloses a method wherein further comprising the step of sending a confirmation request to the seller that the seller confirm seller will fulfill the product request, [{fig 23, 2403}, has a email address so that information is sent to the valid email address].

As Per Claim 9:

Huxter discloses a method wherein a performance rating of the seller is

adjusted based on whether the seller confirms or cancels the product request from the buyer in response to the confirmation request, [{fig 8, 101, 102}], customer goes to By Box, register details done].

As Per Claim 10:

Huxter discloses a method wherein the product request is cancelled if the seller fails to respond to the confirmation request within a predetermined time, [{fig 8, 101, 102}], customer goes to By Box, register details done].

As Per Claim 11:

Huxter discloses a method wherein a performance rating of the seller is adjusted based on whether the seller confirms or cancels the product request within a predetermined time frame, [{fig 8, 101, 102}], customer goes to By Box, register details done and {fig 12a, 525}, L100 keeps the parcel ID valid for the next 5 minutes].

As Per Claim 12:

Huxter discloses a method wherein further comprising sending a confirmation request to the buyer that the buyer confirm buyer has received the requested product, [{fig 8, 104}], email address is used to send information].

As Per Claim 13:

Huxter discloses a method wherein the step of determining a mailer for the

seller to ship the products to the buyer is based on the number and type of products requested by the buyer, [{fig 13, 601}; delivery management engine calculates].

As Per Claim 14:

Huxter discloses a method wherein the step of to place on the mailer is based on the weight of the products requested by the buyer and the weight of the mailer, [{fig 32, 3201}; read package weight] **but Huxter lacks** determining a postage amount.

Dlugos discloses a method wherein determining a postage amount, [{col.5, lines 31-33}; shipping system which determines shipping charge]

Therefore, it would have been obvious for one of ordinary skill in the art at the time of the invention was made to modify Huxter's method in conjunction with Dlugos' method to emulate an invention that deals weight of the products and postage amount, which additionally verifies the products data and its origin.

As Per Claim 15:

Huxter discloses a method wherein the step of receiving via a communication network a product request from a buyer to obtain products from a seller further comprises, [{see fig 7, 1103}; communication device]:

identifying other products available from the seller that are available, [{see fig 19, 2008}; displays the inventory from the web pages];

and displaying the other available products to the buyer so that the buyer can request additional products from the seller, [{fig 20, 2113}; combine with customer preference to give search criteria].

As Per Claim 16:

Huxter discloses a method wherein further comprising displaying to a buyer a member rating of a seller, [{fig 23, 2403}], ebay also displays this process, information is sent to the buyer through email].

As Per Claim 17:

Huxter discloses a method wherein further comprising: receiving from the buyer the name of a carrier to deliver the mailer; and receiving from the buyer the class of delivery, [{fig 23, 2407}]; through email customer confirms personal CD and courier preferences].

As Per Claim 18:

Huxter discloses a method wherein further comprising receiving from the buyer a proof of delivery requirement, [{fig 23, 2407}]; through email customer confirms personal CD and courier preferences].

As Per Claim 19:

Huxter discloses a method wherein a computer-implemented system for

enabling a product transfer transaction between a buyer and a seller, comprising, [fig 2, 1080]; software system allows transfer]:

a software application component for receiving via a communication network a product request from a buyer to obtain products from a seller, wherein the seller is remote from the buyer, including, [fig 2, 1080]; software system allows transfer]:

a mailer determining component for determining an appropriate mailer to send to the seller for the seller to place the requested product in the mailer and send the mailer with the product to the buyer, [see fig 10, 1014} has a delivery interface];

a data storage component for storing information on a plurality of buyers and sellers,[see fig 23, 2415}; cookies written to customer's device], **but Huxter lacks** a postage determining component for determining an appropriate postage amount to place on the mailer; and

Dlugos discloses a method wherein a postage determining component for determining an appropriate postage amount to place on the mailer, [col.1, lines 54-55}; determine the charge for transporting parcel].

Therefore, it would have been obvious for one of ordinary skill in the art at the time of the invention was made to modify Huxter's method in conjunction with Dlugos' method to emulate an invention that deals the mailer sending to seller with postage amounts, which additionally verifies the products data and its origin.

As Per Claim 20:

Huxter discloses a method wherein said data storage component contains a record of products each seller has available for transfer, [{fig 2, 1068}; storage device used to store information].

Conclusion

Any concerns in regard to this communication, the examiner **Jon Bass** can be reached at **(571) 272-6905** between the hours of **9-6pm Monday through Friday**. The fax number for the establishment where the application is being process is **(571) 273-8300**.

If an attempt to reach the examiner is unsuccessful for any reason, the examiner's immediate supervisor, **John Hayes** can be reached at **(571) 272-6708**.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished is available through Private PAIR only. For more information about the PAIR system, see [http:// pair-direct.uspto.gov](http://pair-direct.uspto.gov). Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-271-9197 (toll free).

Any response to this action should be mailed to:

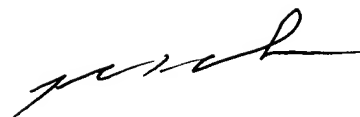
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